San Diego County
Local Agency Formation Commission
Regional Service Planning | Subdivision of the State of California

5c

AGENDA REPORT
Consent | Action

June 1, 2020

TO: Commissioners

FROM: Keene Simonds, Executive Officer
Linda Heckenkamp, Analyst I

SUBJECT: **Proposed "Hamilton-Felicita Reorganization" | Concurrent Annexation to the City of Escondido and Detachment from County Service Area No. 135 (RO19-15)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a reorganization proposal filed by interested landowners with the principal action to annex 0.63 unincorporated acres to the City of Escondido. A concurrent detachment from County Service Area (CSA) No. 135 is also part of the reorganization. The proposal purpose is to provide permanent wastewater service to the existing single-family residences comprising the two subject parcels and in doing so replace a temporary out-of-agency service agreement approved by LAFCO in November 2019 due to aging septic systems. Staff recommends approval without modifications. Approval terms – including the exclusion from Rincon del Diablo Municipal Water District's Improvement District E – are also recommended.

BACKGROUND

Applicant Request

San Diego LAFCO has received a joint-landowner petition (Ingram and Shaw) requesting approval to reorganize approximately 0.63 acres of unincorporated land with the principal action to annex to the City of Escondido. The affected territory as submitted comprises two non-contiguous parcels developed with single-family residences at 903 Hamilton Lane and

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2517 Felicita Road in the Felicita Park area and immediately adjacent to Escondido's jurisdictional boundary. Both subject parcels are within Escondido's sphere of influence. The proposal also involves a concurrent detachment from CSA No. 135 with the associated public safety radio communications function to be assumed by Escondido. The County of San Diego Assessor's Office identifies the two subject parcels as 238-360-05 (approximately 0.28 acre) and 238-360-19 (approximately 0.35 acre), respectively.

Affected Territory

The following map shows the approximate location of the affected territory in context to the greater Escondido/Felicita area. Attachment One shows the affected territory relative to the proposed boundary change involving the principal subject agency (City of Escondido).



Source: San Diego LAFCO

Subject Agencies

The proposed reorganization filed with San Diego LAFCO involves two subject agencies: City of Escondido and CSA No. 135.[1] A summary of the subject agencies in terms of geography, municipal service functions, growth and development, and financial standing follows.

- The City of Escondido encompasses approximately 23,200 acres or 36.2 square miles making it the sixth largest incorporated territory in San Diego County. It is bordered by the incorporated Cities of San Marcos to the northeast and San Diego to the south. Several unincorporated communities also lie adjacent to Escondido and include

[1] State law defines "subject agency" to mean any district or city for which a change of organization or reorganization is proposed.

Harmony Grove, Elfin Forest, Eden Hills, and Valley Center. Escondido was incorporated in 1888 and is governed by a five-member city council consisting of a directly elected at-large mayor and four councilmembers elected by district. Escondido is a full-service municipality, and this includes directly providing community planning, fire protection, police, public works, water, and wastewater throughout its incorporated boundary with limited exceptions.[2] The current estimated resident population is 154,786 with an average annual growth rate of 0.9% since 2010. LAFCO established a larger-than-agency sphere of influence for Escondido in 1979, which was last reviewed and affirmed in 2008. The sphere presently includes 19,619 non-jurisdictional acres and equals over five-sixths of the existing jurisdictional boundary.

- CSA No. 135 is a dependent special district of the County of San Diego encompassing 2,393,485 acres or 3,739.8 square miles and includes all unincorporated lands as well as 10 of the 18 cities in San Diego County.[3] CSA No. 135 was formed in 1994 to provide public safety radio communications through a funding agreement with a third-party (Regional Communication Systems) and involves operating a 800-megahertz system. Administration of this municipal function is provided by County Sheriff. A second municipal service function involving fire protection and emergency medical was activated in 2008 and operates within an internal unincorporated zone that covers two-thirds of the jurisdictional boundary. Administration of this municipal function is provided by County Fire Authority. The current estimated resident population within CSA No. 135 is 1,074,319. LAFCO established a sphere of influence in 1994 coterminous to the county boundary. The sphere was last reviewed and affirmed in 2007.

Affected Local Agencies

The affected territory lies within the jurisdictional boundaries and/or spheres of influence of six local agencies directly subject to San Diego LAFCO. These agencies qualify as "affected agencies" relative to the proposed reorganization and listed below.[4]

- Metropolitan Water District of Southern California
- North County Cemetery District
- Palomar Health Healthcare District
- Resource Conservation District of Greater San Diego County
- Rincon del Diablo Municipal Water District
- San Diego County Water Authority

[2] Rincon Del Diablo Municipal Water District also provides water and fire protection services within portions of Escondido.
[3] Cities within CSA No. 135 are Carlsbad, Del Mar, Encinitas, Imperial Beach, Lemon Grove, Poway, San Marcos, Solana Beach, Santee, and Vista.
[4] State law defines "affected local agency" as any entity that contains, or would contain, or whose sphere contains or would contain, any territory for which a change of organization or reorganization is proposed or ordered. Notice of the proposal and hearing were provided to the agencies.

DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the reorganization proposal and the principal action to annex the affected territory to the City of Escondido. An associated boundary change to concurrently detach the affected territory from CSA No. 135 is also part of the requested reorganization. The Commission may also consider applying conditions so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion with respect to proposal purpose and Commission focus follows.

Proposal Purpose

The primary purpose of the proposed reorganization before San Diego LAFCO is to permanently establish pubic wastewater service to the affected territory and the existing two single-family residences through annexation to the City of Escondido. Annexation would replace a temporary out-of-agency service extension between Escondido and the affected landowners that was approved by the Executive Officer on August 2019 given evidence of failing septic systems. Approval of the earlier out-of-agency service extension – notably – was conditioned on the landowners jointly filing for reorganization and subsequently ratified by the Commission on October 7th, 2019. The secondary purpose of the reorganization to detach the affected territory from CSA No. 135 and its public safety radio communication function to avoid an overlap of duplicative services

Development Potential

The affected territory is presently unincorporated and entirely designated by the County of San Diego as Village Lands (Vr-2.9). The County also zones both subject parcels as Rural Residential (RR) with a 2.0-acre minimum lot size. The City of Escondido General Plan similarly designates the entire affected territory as Residential - Estate II (E2), which prescribes a 0.5 acre minimum lot size. The two subject properties are presently developed to the limits of the City's land use designation and the properties would be considered legal/non-confirming lots following reorganization. The Escondido Municipal Code allows development of an accessory dwelling unit within residential zones on lots 8,000 square feet or larger. Accordingly, development of one ADU would potentially be permitted for each of the subject properties under Escondido's land use policies.

Commission Focus

San Diego LAFCO's current sphere of influence designation for the City of Escondido includes the affected territory and can readily accommodate the proposed annexation without amendment. Similarly, the current sphere of influence designation for CSA No. 135 is countywide and amendments have not been made by practice to exclude detached territory. These existing sphere determinations narrows the Commission's consideration of the proposed reorganization to two central and sequential policy items. These policy items take the form of determinations and serve to orient the Commission to consider the stand-alone

merits of the (a) timing of the reorganization and (b) discretionary boundary modifications or approval terms. The Commission must also consider other relevant statutes as detailed.

ANALYSIS

San Diego LAFCO's analysis of the proposed reorganization is divided into two subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section regarding the timing of the reorganization relative to the factors mandated for review by the Legislature and local policies as well as whether modifications and terms are appropriate in further addressing Commission goals and policies. The second subsection considers other germane issues and highlighted by applicability under the California Environmental Quality Act (CEQA) and the disposition of protest proceedings.

Central Policy Items

Item No. 1 |
Reorganization Timing

The timing of the reorganization appears appropriate. This conclusion draws from the analysis of the statutory factors required for consideration of proposed jurisdictional changes along with the proposal's conformance with locally adopted Commission policies. Most of the prescribed factors and applicable policies focus on the impacts of the proposed annexation on the service and financial capacities of the *receiving* agency, City of Escondido (emphasis added). A summary of key conclusions generated in the review of these factors and applicable local policies follow with a complete analysis provided in Appendix A.

- Service Needs
  Annexation of the affected territory to City of Escondido would represent a logical and orderly expansion of the City's jurisdictional boundary and its municipal service functions. Additional details on relevant service needs follow.

  - The affected territory's existing and planned residential land uses merits organized services and would be aided by the reorganization and annexation to the City of Escondido and its ability to provide a range of urban-supporting services. This includes – pertinently – wastewater given both subject parcels recently connected to Escondido's collection system through a temporary out-of-agency agreement to abate public health threats due to failing septic systems. There are no other viable public wastewater service alternatives.

  - The Commission has previously designated City of Escondido as the appropriate and full municipal service provider for the affected territory through the standing inclusion of land within the City's sphere of influence. Annexation now implements this standing expectation through a public process and accommodates the expressed interest of the affected landowners to remain connected to Escondido's wastewater system.

- The recent failing of the two subject parcels' septic systems helps to quantify the timing of the reorganization and annexation therein to the City of Escondido is appropriate and responsive to current and future resident needs.

- Service Capacities and Levels

  The City of Escondido would directly assume most municipal service responsibilities for the affected territory upon annexation and highlighted by providing community planning, wastewater, fire protection and emergency medical, and law enforcement. A review of existing capacities indicates Escondido has sufficient controls and resources to readily accommodate demands in the affected territory at its planned and maximum uses. Additional details follow.

  - With respect to community planning, Escondido would assume all entitlement and land use responsibilities for the affected territory upon reorganization approval. Escondido has previously designated and prezoned the affected territory for moderate single-family residential uses and ancillary activities. Existing development with both subject parcels conforms to these planned land uses and are also consistent with surrounding uses.

  - With respect to wastewater, the affected territory is already connected through private laterals to the Escondido's collection main located adjacent to both subject parcels along the public right-of-way on Felicita Road.[5] It is projected the maximum average day wastewater demand generated within the affected territory at build-out would be 1,000 gallons per day based on four equivalent dwelling units. This amount represents 0.024% of Escondido's existing available capacity, and as such can be readily accommodated without additional resources or infrastructure planning.

  - With respect to fire protection and emergency medical, Escondido is presently the contract fire protection and emergency medical provider for unincorporated territory within Rincon del Diablo MWD Improvement District (ID) "E," including the affected territory. These services would be formally assumed by Escondido from Rincon de Diablo MWD upon reorganization approval and as such generates no substantive change to the residents. Escondido currently operates seven fire stations with the closest located at 2319 Felicita Road and 0.1 road miles to the affected territory. All stations operate 24/7 with minimum staffing of five personnel that includes at least one licensed paramedic. Escondido's current average response time is seven and one-half minutes and satisfies the City's adopted Quality of Life Standard 3.

[5] The adjacent right-of-way is already entirely within City of Escondido's jurisdiction.

- With respect to law enforcement, these services would be assumed by Escondido from the County Sheriff upon reorganization approval. Escondido's centralizes law enforcement command through one station located at 1163 Parkway and is approximately 4.6 road miles from the affected territory. Escondido's current average response time for is based on personnel staffing and satisfies the City's adopted Quality of Life Standard 4. No new or additional public resources would be needed for Escondido to directly serve the affected territory.

- The affected territory is within and presently receives water service from Rincon del Diablo MWD. No changes to this service arrangement are proposed in association with the subject reorganization.

- Service Funding and Costs
  The City of Escondido has sufficient financial resources and administrative controls to assume and provide a full range of municipal services to the affected territory in support of its existing and planned uses. This comment is reflected in the staff analysis of Escondido's recent audited statements which shows – among other items – the City's net position at $427.422 million and has increased over the last three-year period from $417.875 million or 2.3% Escondido has relatedly achieved a positive overall total margin during the period at 1.7%.

Conclusion | Merits of Reorganization Timing

The timing of the reorganization and annexation therein of the affected territory to City of Escondido is warranted. Justification is marked by the preceding analysis and highlighted by appropriately responding to the need – and beginning with wastewater – for a fuller range of municipal services to support existing and planned urban uses. Additional analysis supporting the conclusion is provided in Appendix A.

Item No. 2 |
Modifications and Terms

No boundary modifications to the reorganization proposal have been identified by staff meriting consideration by San Diego LAFCO at this time. Approval terms are merited, and this includes one special condition to require the applicants to file for exclusion from Rincon del Diablo MWD's internal improvement district – E – involving fire protection and emergency medical service and in doing so avoid service duplication. Standard approval terms for the reorganization are also recommended under Government Code Section 57302.

Conclusion | Modification and Terms

No modifications to the proposed boundary of the reorganization appear merited. Approval terms are appropriate and include the applicants filing with Rincon del Diablo MWD for removal from the District's improvement district involving fire protection.

Other Statutory Considerations

Exchange of Property Tax Revenues

California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement by the affected local agencies and the County of San Diego before San Diego LAFCO can consider the proposed jurisdictional changes unless an existing master exchange agreement applies. Staff has confirmed the County Board of Supervisors has adopted a master property tax exchange agreement with the City of Escondido applicable to the proposed reorganization. The application of this master tax exchange agreement will result in a baseline year transfer of $7,140.23 of assessed property tax revenues to Escondido.

Environmental Review

San Diego LAFCO serves as lead agency for assessing potential environmental impacts under CEQA given the subject landowners have initiated the reorganization proceedings and no new development is proposed. Staff has determined the reorganization proposal qualifies as a project under CEQA but is categorically exempt from further review under State CEQA Guidelines Section 15319(a) and its provisions covering annexations to cities and special districts. Staff believes this exemption appropriately applies given the affected territory contains existing private structures developed to the density allowed by the gaining land use authority (Escondido).

Protest Proceedings

Protest proceeding for the reorganization may be waived by San Diego LAFCO should the Commission proceed with an approval under Government Code Section 56662. The waiver appropriately applies under this statute given the affected territory is uninhabited as defined under LAFCO law, the subject agencies have not filed objections to the waiver, and all affected landowners have provided written consent to the underlying actions.[6]

RECOMMENDATION

Staff recommends San Diego LAFCO conditionally approve the reorganization proposal without any physical boundary modifications as specified. This recommendation is consistent with Alternative One outlined in the proceeding section:

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single-motion:

[6] LAFCO law defines uninhabited as territory in which 11 or less registered voters reside.

Alternative One (recommended):
Adopt the attached draft resolution approving the reorganization proposal without modification and with specified terms. Protest proceedings would also be waived.

Alternative Two:
Continue consideration to the next regular meeting.

Alternative Three:
Disapprove the reorganization proposal with direction to staff to return at the next regular meeting with a conforming resolution for adoption.

PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified.

On behalf of the Executive Officer,



Linda Heckenkamp
Analyst I

Appendices:

A) Analysis of Boundary Change Factors

Attachments:

1) Vicinity Map of the Affected Territory
2) Draft Resolution of Approval
3) Application Materials

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APPENDIX A

Government Code Section 56668
Proposal Review Factors

a) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; and the likelihood of significant growth in the area, and in adjacent areas, during the next 10 years.

The affected territory as submitted totals approximately 0.63 acres in size and is located within the sphere of influence of the City of Escondido. The affected territory is unincorporated and includes two assessor parcels with situs addresses of 903 Hamilton Lane (238-360-05) and 2517 Felicita Road (238-360-19). Each of the subject parcels are currently developed with one single-family residence and connected to the Escondido wastewater system via previously-approved contractual service agreements. The County of San Diego General Plan designates and zones the subject parcels for lower density residential uses. No significant growth is anticipated in the surrounding area within the next 10-year period. Total assessed value (land and structures) of the affected territory is $714,023 as of May 2020.

b) The need for municipal services; the present cost and adequacy of municipal services and controls in the area; probable future needs for those services and controls; and probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

The County of San Diego presently serves as the primary purveyor of general governmental services to the affected territory. This includes community planning, roads, and public safety. Other pertinent service providers include Rincon Del Diablo Municipal Water District (domestic water, fire protection, and emergency medical) and County Service Area No. 135 (regional communications). The City of Escondido would directly assume most municipal service responsibilities for the affected territory upon annexation and highlighted by providing community planning, wastewater, fire protection and emergency medical, and law enforcement. A review of existing capacities indicates Escondido has sufficient controls and resources to readily accommodate demands in the affected territory at its planned and maximum uses. Additional details follow.

- With respect to community planning, Escondido would assume all entitlement and land use responsibilities for the affected territory upon reorganization approval. Escondido has previously designated and prezoned the affected territory for moderate single-family residential uses and ancillary activities. Existing development with both subject parcels conforms to these planned land uses and are also consistent with surrounding uses.

- With respect to wastewater, the affected territory is already connected through private laterals to the Escondido's collection main located adjacent to both subject parcels along the public right-of-way on Felicita Road. It is projected the maximum average day wastewater demand generated within the affected territory at build-out would be 1,000 gallons per day based on four equivalent dwelling units. This amount represents 0.024% of the existing available capacity of City of Escondido, and as such can be readily accommodated without additional resources or infrastructure planning.

- With respect to fire protection and emergency medical, Escondido is presently the contract fire protection and emergency medical provider for unincorporated territory within Rincon del Diablo MWD Improvement District (ID) "E," including the affected territory. These services would be formally assumed by Escondido from Rincon de Diablo MWD upon reorganization approval and as such generates no substantive change to the residents. Escondido currently operates seven fire stations with the closest located at 2319 Felicita Road and 0.1 road miles to the affected territory. All stations operate 24/7 with minimum staffing of five personnel that includes at least one licensed paramedic. Escondido's current average response time is seven and one-half minutes and satisfies the City's adopted Quality of Life Standard 3.

- With respect to law enforcement, these services would be assumed by Escondido from the County Sheriff upon reorganization approval. Escondido's centralizes law enforcement command through one station located at 1163 Parkway and is approximately 4.6 road miles from the affected territory. Escondido's current average response time for is based on personnel staffing and satisfies the City's adopted Quality of Life Standard 4. No new or additional public resources would be needed for Escondido to directly assume service responsibility.

- The affected territory is within and presently receives water service from Rincon del Diablo MWD. No changes to this service arrangement are proposed in association with the subject reorganization.

c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on local governmental structure.

Approving the reorganization would formalize and make more permanent existing economic and social ties between the City of Escondido and the affected territory. These ties were initially established in the 1970's when the Commission included the entire local area into City of Escondido's sphere of influence and signaling the lands would eventually warrant annexation, development, and municipal services through the City when appropriate.

d) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies/priorities set forth in G.C. Section 56377.

The affected territory is presently developed with two single-family residences that are currently dependent on an out-of-agency wastewater extension from the City of Escondido due to failing onsite septic systems. Annexation of the affected territory would make the existing service arrangement permanent and is consistent with the policies and practices of the Commission to sync urban uses with urban services as needed. None of the affected territory includes lands qualifying as "open-space" as defined under LAFCO law and the proposal therefore does not conflict with G.C. Section 56377. Additional analysis concerning applicability of germane Commission policies follow.

- Policy L-107 requires applicants to disclose and address potential jurisdictional issues associated with their proposals and if applicable require a consultation process with the affected agencies, interested parties, or organizations to help remedy concerns unless waived by the San Diego LAFCO Executive Officer. No jurisdictional disputes or related concerns were disclosed by the applicants or identified by subject and affected agencies in the review of the proposal.

e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.

The affected territory does not qualify as "prime agricultural land" under LAFCO law. Specifically, the lands are not currently used for any of the following purposes: producing an agricultural commodity for commercial purposes; left fallow under a crop rotational program; or enrolled in an agricultural subsidy program. Approval of the reorganization proposal and annexation to City of Escondido would have no effect on maintaining the physical and economic integrity of agricultural lands.

f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters.

LAFCO is in receipt of a draft map and geographic description of the affected territory that details metes and bounds consistent with the standard of the State Board of Equalization. Approval would be conditioned on a final map and description conforming to the referenced standards. Approval for reorganization of the affected territory would not create service islands or corridors.

g) A regional transportation plan adopted pursuant to Section 65080.

The proposed reorganization involves annexation to the City of Escondido of two existing single-family residences in a developing urban area along Interstate 15. No new development is proposed. The proposal, accordingly, does not conflict with San Diego Forward, the regional transportation plan prepared by San Diego Association of Governments (SANDAG).

h) Consistency with the city or county general and specific plans.

The County of San Diego General Plan identifies the affected territory land use designation and zoning for the affected territory as Residential (RR). The City of Escondido has adopted a General Plan designation of Residential – Estate II for the affected territory and the existing single-family residential development is consistent with the City's designation.

i) The sphere of influence of any local agency affected by the proposal.

The affected territory lies entirely within the sphere of influence designated for the City of Escondido. Additional details are provided in the analysis provided on page 10.

j) The comments of any affected local agency or other public agency.

Staff provided notice of the reorganization proposal to all subject and affected agencies as required under LAFCO law. No written comments were received ahead of preparing this agenda report for distribution on May 22, 2020.

k) The ability of the newly formed or receiving entity to provide the services that are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

Information collected and reviewed as part of this proposal indicates the City of Escondido appears to have established sufficient financial resources and administrative controls therein relative to providing public wastewater to the affected territory without adversely impacting existing ratepayers. This statement is supported by the following factors.

- City of Escondido's last audit covers 2018-2019 and shows the District finished with good liquidity levels with an agency-wide current ratio of 10.4 (i.e., $10.40 in current assets for every $1.00 in current liabilities).

- City of Escondido finished 2018-2019 with moderate capital levels as evident by a debt ratio of 55.9% (i.e., $55.90 out of every $100.00 in net assets are financed.)

- City of Escondido has remained profitable in each of the last three audited fiscal years with an average operating margin of 1.7%. The most recent year – 2018-2019 – the operating margin was 4.3%.

l) Timely availability of water supplies adequate for projected needs as specified in G.C. Section 65352.5.

The affected territory's existing residential uses are already within and connected to Rincon Del Diablo Municipal Water District's retail domestic water system with wholesale imported water supplies provided by the San Diego County Water Authority. Approval of the reorganization would not affect the timely availability of water supplies.

m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments.

The proposed reorganization does not involve new development and would not affect any local agencies in accommodating their respective regional housing needs.

n) Any information or comments from the affected landowners, voters, or residents.

The affected territory is considered uninhabited as defined by LAFCO law (containing 11 registered voters or less). The landowners support the proposed reorganization and have provided their written consent to the proceedings.

o) Any information relating to existing land use designations.

See above analysis for (h).

p) The extent to which the proposal will promote environmental justice.

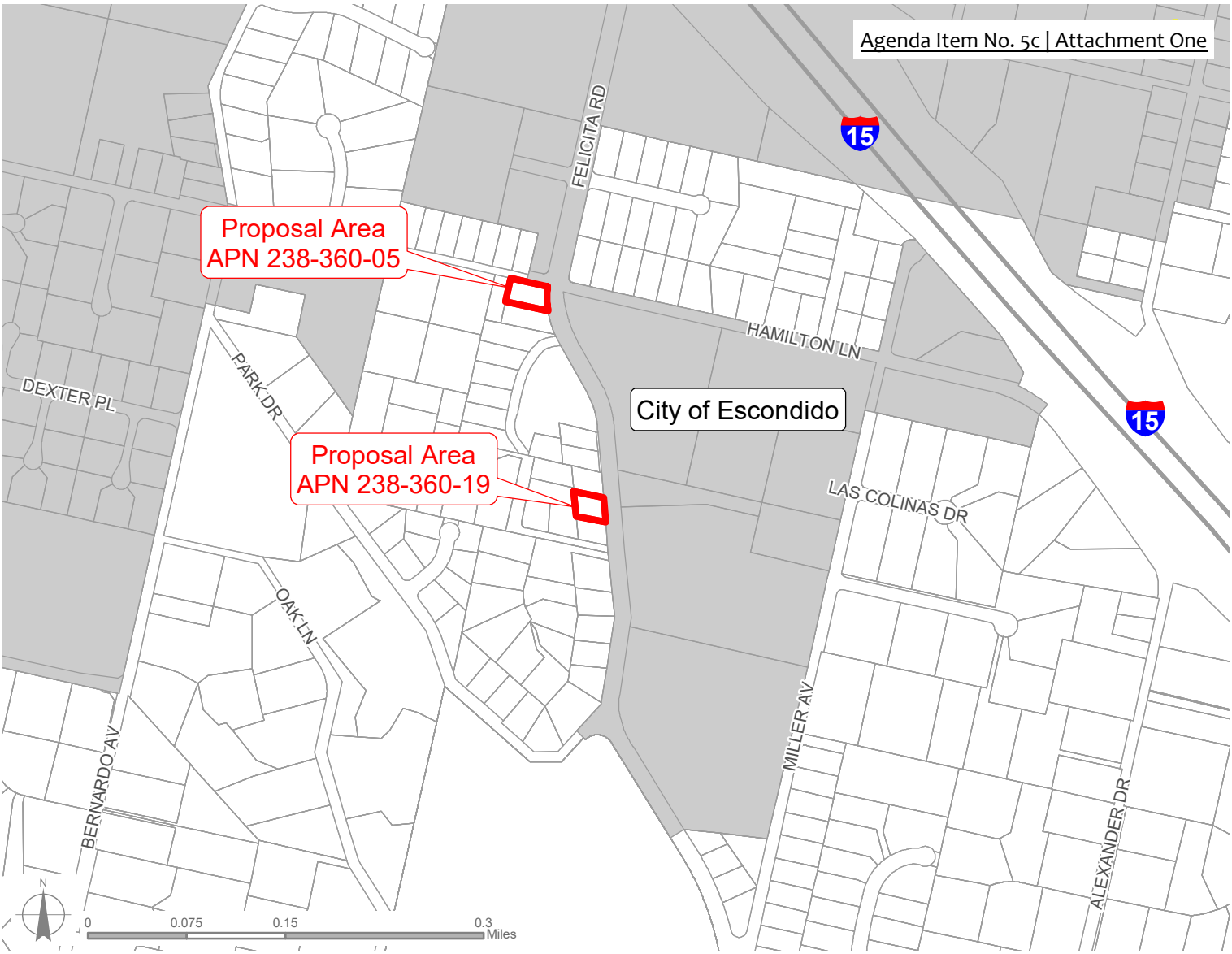
As used in this review factor, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the location of public facilities and the provision of public services, to ensure a healthy environment for all people such that the effects of pollution are not disproportionately borne by any particular populations or communities.

The proposed reorganization involves annexation of two developed single-family residences and does not include locating new public facilities. Therefore, approval of the proposed reorganization is not anticipated to directly influence the promotion of environmental justice within the affected territory.

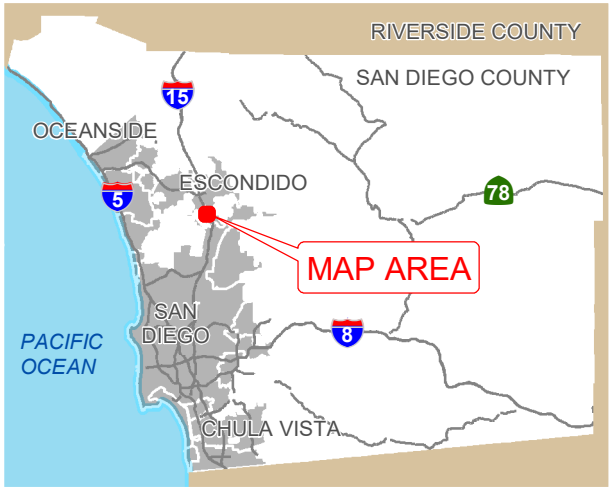
q) Information contained in a local hazard mitigation plan, a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state responsibility area, if it is determined that such information is relevant to the affected territory.

The County of San Diego General contains a hazard mitigation plan for potential fire, flooding and earthquakes. The affected territory is not located within a "very high" fire hazard zone. The City of Escondido would become the designated fire service provider following annexation of the affected territory.

Agenda Item No. 5c | Attachment One







CO19-15 PROPOSED "HAMILTON - FELICITA CHANGE OF ORGANIZATION" | ANNEXATION TO THE CITY OF ESCONDIDO

Proposal Area
City of Escondido

San Diego County
Local Agency Formation Commission
Regional Service Planning | Subdivision of the State of California

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RESOLUTION NO._____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A REORGANIZATION

"HAMILTON - FELICITA REORGANIZATION"
ANNEXATION TO THE CITY OF ESCONDIDO WITH CONCURRENT DETACHMENT FROM COUNTY SERVICE AREA No. 135 (REGIONAL COMMUNICATIONS) AND EXCLUSION FROM RINCON DEL DIABLO MUNICIPAL WATER DISTRICT ID "E"
LAFCO FILE NO. RO19-15

WHEREAS, on August 15, 2019, the subject landowners, Shaw and Ingram, filed landowner petitions to initiate reorganization proceedings and submitted an application with the San Diego County Local Agency Formation Commission, hereinafter referred to as "Commission," pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000, et seq.); and

WHEREAS, the proposal requests approval for reorganization of two unincorporated parcels totaling approximately 0.63 acres within the County of San Diego, each developed with one single-family residence subject to a previously approved wastewater service agreement with the City of Escondido; and

WHEREAS, the proposed reorganization involves annexation of the affected territory to the City of Escondido with concurrent detachment from County Service Area No. 135 (Regional Communications) and exclusion from Rincon del Diablo Municipal Water District Improvement District "E"; and

WHEREAS, the affected territory is contiguous with the City of Escondido and located within the Escondido sphere of influence and no conforming sphere of influence amendment is necessary for the concurrent detachment of the affected territory from County Service Area No. 135 (Regional Communications); and

WHEREAS, the affected territory is located within and presently receives water service from Rincon del Diablo Municipal Water District and no change to this service arrangement is proposed; and the City of Escondido would assume direct fire protection service for the affected territory within Rincon del Diablo Municipal Water District Improvement District "E" following annexation; and

WHEREAS, an existing master property tax transfer agreement dated December 14, 1982 between the County of San Diego and the City of Escondido will govern the associated exchange of property tax revenues for the proposed reorganization; and

WHEREAS, the Commission's Executive Officer has reviewed the proposed reorganization and prepared a report with recommendations; and

WHEREAS, the Executive Officer's report and recommendations on the proposal have been presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a noticed public meeting on the proposal on June 1, 2020; and

WHEREAS, the Commission considered all the factors required by law under Government Code Section 56668 and adopted local policies and procedures.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The public meeting was held on the date set therefore, and due notice of said meeting was given in the manner required by law.

2. At the public meeting, the Commission considered the Executive Officer's report.

3. San Diego LAFCO serves as lead agency under CEQA for assessing potential environmental impacts of the proposed reorganization given the subject landowners have initiated proceedings and no new development is associated with the proposal. Staff has determined the proposal qualifies as a project under CEQA but is categorically exempt from further review per State CEQA Guidelines Section 15319(a). This exemption applies given the affected territory contains existing private structures developed to the limits of the existing and proposed zoning and the extension of wastewater service would be sized to only serve the existing facilities and there is no corresponding need for an expansion of public infrastructure.

4. The Commission <u>APPROVES</u> the reorganization without modifications as described below and subject to conditions as provided. Approval involves all of the following:

    a) Annexation of the affected territory to the City of Escondido as shown in "Exhibit A-1" and described in "Exhibit A-2."

    b) Detachment of the affected territory from County Service Area No. 135 (Regional Communications) as shown in "Exhibit A-1" and described in "Exhibit A-2."

    c) Exclusion of the affected territory from Rincon del Diablo Municipal Water District Improvement District "E" as shown in "Exhibit A-1" and described in "Exhibit A-2."

5. The Commission CONDITIONS all approvals on the following terms being satisfied by June 1, 2021 unless an extension is requested in writing and approved by the Executive Officer:

    a) Completion of the 30-day reconsideration period provided under Government Code Section 56895.

    b) Submittal to the Commission of final map and geographic description of the affected territory as approved by the Commission conforming to the requirements of the State Board of Equalization – Tax Services Division.

    c) Submittal to the Commission of the following payments:

    - A check made payable to LAFCO in the amount of $50.00 to reimburse for filing a CEQA Notice of Exemption with the County of San Diego-Clerk Recorder consistent with the findings in the resolution.

    - A check made payable to the State Board of Equalization for processing fees in the amount of $300.00.

6. The Commission assigns the proposal the following short-term designation:

    "Hamilton - Felicita Reorganization" to the City of Escondido

7. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.

8. All owners of land within the affected territory have provided written consent to the proposal and the Commission waives conducting authority proceedings per Government Code Section 56662(d).

9. The County Service Area No. 135 (Regional Communications) and Rincon Del Diablo Municipal Water District are registered-voter districts.

10. The City of Escondido, County Service Area No. 135 (Regional Communications), and Rincon Del Diablo Municipal Water District each utilize the County of San Diego assessment roll.

11. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the City of Escondido as provided under Government Code § 57328, and will be subject to any previously authorized taxes, benefit assessments, fees, or charges of the City of Escondido as provided under Government Code Section 57330.

12. The effective date of the proposal shall be the date of recordation of the Certificate of Completion following completion of all terms.

13. As allowed under Government Code Section 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defects, errors, irregularities, or omissions.

14. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Sections 56880-56882 of the Government Code.

15. The Executive Officer is further authorized and directed to prepare, execute, and record a Certificate of Completion, make the required filings with the County Assessor, County Auditor, and the State Board of Equalization as required by Section 57200, et seq., of the Government Code.

**

PASSED AND ADOPTED by the Commission on June 1, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**

Attest:

_____
Keene Simonds
Executive Officer

EXHIBIT A
MAP OF THE AFFECTED TERRITORY

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EXHIBIT B
GEOGRAPHIC DESCRIPTION OF THE AFFECTED TERRITORY

-Placeholder-

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PETITION FOR PROCEEDINGS PURSUANT TO THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Part I: NOTICE OF INTENT TO CIRCULATE PETITION

Proponents are required to file a **NOTICE OF INTENT TO CIRCULATE PETITION** with the Executive Officer of the San Diego Local Agency Formation Commission before a petition to initiate a change of organization or reorganization can be circulated (Govt. Code § 56700.4).

1. Notice is hereby given to circulate a petition proposing to: ANNEXATION TO ESCONDIDO

2. The reason(s) for the proposal are: FAILING SEPTIC

WILLIAM R. SHAW
Proponent's Name (print)

Signature of proponent or representative

1855 S. REDWOOD ST., ESCONDIDO, CA 92025
Proponent's Address

City, State, Zip

Pursuant to Section 56700.4 of the California Government Code, this **NOTICE OF INTENT TO CIRCULATE PETITION** was filed with me on

Date

Executive Officer (Print and Sign)

PART II: DISCLOSURE REQUIREMENTS

The Political Reform Act prohibits a person appointed to the Local Agency Formation Commission from soliciting or accepting campaign contributions of more than $250 within the preceding 12 months from parties, participants, or their agents while a proceeding is pending before LAFCO and for three months following the decision. LAFCO commissioners who receive such contributions are required to disqualify themselves from participating in the proceedings. Both commissioners and contributors who are parties to the proceeding are required to disclose the contributions received or made. Names of current LAFCO commissioners and LAFCO disclosure forms are available at HTTP://WWW.SDLAFCO.ORG or by calling 858/614-7755.

Pursuant to Government Code Section 56700.1, any person or combination of persons who, for political purposes, directly or indirectly contributes $1,000 or more, or expend $1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report to the Commission to the same extent and subject to the same requirements of the Political Reform Act (Title 9 [commencing with Section 81000]) as provided for local initiative measures.

Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes $1,000 or more, or expends $1,000 or in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 et seq.). Applicable reports must be submitted to the Secretary of State and the appropriate city or county clerk. Copies of the reports must also be filed with the Executive Officer of San Diego LAFCO.

Part III: PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION

This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code, Section 56000 et seq. of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

(a) The specific change(s) of organization proposed is/are: ANNEXATION TO ESCONDIDO

(b) The boundary of the territory included in the proposal is as described in the attached legal description and map and is by this reference incorporated herein.

(c) The proposed action(s) will be subject to the following terms and conditions: TO BE DETERMINED

(d) The reason(s) for the proposal is/are: FAILING SEPTIC

(e) Signers of this petition have signed as (select one): ☑ landowner; ☐ registered voter.

(f) The name(s) and mailing address(es) of the chief petitioner(s) (not to exceed three) is/are:

1. WILLIAM R SHAW 1855 S. REDWOOD ST., ESCONDIDO, CA. 92025
   Name of chief proponent (print) — mailing address

2. _____
   Name of chief proponent (print) — mailing address

3. _____
   Name of chief proponent (print) — mailing address

(g) It is requested that proceedings for this proposal be taken in accordance with Section 56000 et seq. of the Government Code.

(h) This proposed change of organization (select one) ☑ is ☐ is not consistent with the sphere-of-influence of any affected city or district.

(i) The territory included in the proposal is (select one) ☑ inhabited (12 or more registered voters) ☐ uninhabited (11 or less registered voters).

(j) If the formation of a new district(s) is included in the proposal:

1. The principal act under which said district(s) is/are proposed to be formed is/are: _____

2. The proposed name(s) of the new district(s) is/are: _____

3. The boundary(ies) of the proposed new district(s) is/are described in the attached legal description and map and are by this reference incorporated herein.

(k) If an incorporation is included in the proposal:

1. The name of the proposed city is: _____

2. Provisions are requested for appointment of: ☐ city manager ☐ city clerk ☐ city treasurer

(l) If the proposal includes a consolidation of special districts, the proposed name of the consolidated district is: _____

Part IVa: REGISTERED VOTER PETITION

Petitions must meet minimum signature requirements (see Part V). Signatures must be secured within six months of the date on which the first signature was affixed. Petitions must be submitted to the LAFCO Executive Officer within 60 days after the last signature is affixed (Govt. Code § 56705).

Each of the undersigned states:

- I personally signed this petition.
- I am a registered voter within the County of San Diego.
- I personally affixed hereto the date of my signing this petition and my place of residence, or if no street or number exists, then a designation of my place of residence that will enable the location to be readily ascertained.

Name of Signer	Residence Address	Date Signed	Official Use
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			

Part IVb: LANDOWNER PETITION

Petitions must meet minimum signature requirements (see Part V). Signatures must be secured within six months of the date on which the first signature was affixed. Petitions must be submitted to the LAFCO Executive Officer within 60 days after the last signature is affixed (Govt. Code § 56705).

Each of the undersigned states:

- I personally signed this petition.
- I am a landowner of the affected territory.
- I personally affixed hereto the date of my signing this petition and the Assessor's Parcel Number(s), or a description sufficient to identify the location of my land.

Name of Signer	Assessor's Parcel Number(s)	Date Signed	Official Use
Sign William R Shaw Print WILLIAM R. SHAW	238-360-19-00	8/9/2019	
Sign Sharon Shaw Print SHARON SHAW	238-360-19-00	8/9/2019	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			

Part V: MINIMUM SIGNATURE REQUIREMENT FOR A SUFFICIENT PETITION UNDER THE PROVISIONS OF THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Reorganization—Signatures must comply with the applicable signature requirements for each of the changes proposed (Govt. Code § 56864.1).

District Formation—Signatures as required by the principal act under which the new district is proposed to be formed (Govt. Code § 56860).

Dissolution of a District—For registered voter district: signatures by (a) not less than 10% of the registered voters within the district; or (b) not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.
—For landowner-voter districts: signatures by not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.
—If dissolution is for inactivity, the petition must be signed by three or more registered voters or landowners within the subject district and include statement and recitations as required by Govt. Code 56871 (Govt. Code § 56870).

Consolidation of Districts—For registered voter districts: signatures by not less than 5% of the registered voters within each of the districts.
—For landowner-voter districts: signatures by landowners-voters constituting not less than 5% of the number of landowner-voters owning land within each of the several districts who also own not less than 5% of the assessed value of land within each of the districts (Govt. Code § 56865).

Merger of District with City or Establishment of a Subsidiary District—For a registered voter district: signatures by (a) 5% of the registered voters of the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district.
—For a landowner-voter district: signatures by (a) 5% of the number of landowner-voters within the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district (Govt. Code § 56866).

District Annexation or Detachment—For a registered voter district: signatures by (a) not less than 25% of the number of registered voters within the territory proposed to be annexed or detached; or (b) not less than 25% of the number of landowners within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory.
—For a landowner-voter district: signatures by not less than 25% of the number of landowners owning land within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory (Govt. Code § 56864).

Incorporation of a City—Signatures by: (a) not less than 25% of the registered voters residing in the area to be incorporated; or (b) not less than 25% of the number of owners of land within the territory proposed to be incorporated who also own not less than 25% of the assessed value of land within the territory proposed to be incorporated (Govt. Code § 56764).

Disincorporation of a City—Signatures by not less than 25% of the registered voters residing in the city proposed to be disincorporated (Govt. Code § 56766).

Consolidation of Cities—Signatures by not less than 5% of the registered voters of each affected city (Govt. Code § 56766).

Annexation to a City—Signatures by: (a) not less than 5% of the number of registered voters residing within the territory proposed to be annexed; or (b) not less than 5% of the number of owners of land within the territory proposed to be annexed who also own 5% of the assessed value of land within the territory (Govt. Code § 56767).

Detachment from a City—Signatures by: (a) not less than 25% of the number of registered voters residing within the territory proposed to be detached; or (b) not less than 25% of the number of owners of land within the territory proposed to be detached who also own 25% of the assessed value of land within the territory (Govt. Code § 56768).

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